

NEW PUBLIC SPHERES IN BRAZIL: LOCAL DEMOCRACY AND DELIBERATIVE POLITICS

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Brazil is one of the countries in which a very large number of participatory experiences emerged in the last ten years. These experiences are related to two transformations in the country political landscape: the first transformation was the change in associative pattern which was part of the process of democratization and took place between the late seventies and mid-eighties. Neighborhood associations blossomed in this period as part of a general associative movement in reaction to authoritarianism. In Rio de Janeiro, more associations were formed between 1979 and 1981 than in the whole previous democratic period (1946-1964). In Belo Horizonte, 80% of the existing neighborhood associations date from the 80's (Avritzer, 2000). In Porto Alegre, a city whose associative tradition goes back to the fifties, this was a moment in which community associations claimed participation in the elaboration of the city budget.

The second important transformation in democratic Brazil was the emergence of participatory and deliberative legislation at the end of the Constitution making process. The Brazilian constitution increased the forms and the arenas of participation. In its article 14, the Constitution acknowledged that popular sovereignty could be exercised through the vote but also through popular initiative. In its article 26, on the cities, the constitution required the participation of representatives association in city policies. In its articles on health and social security (articles 204, 227), the Constitution required the participation of the population in the formulation and control of these policies. The legal infra-structure for participation was in place in Brazil in the late eighties. Yet, very few mayors or political parties took advantage of

it as well as the Porto Alegre administration, which introduced a practice called participatory budgeting when Olívio Dutra was elected mayor of Porto Alegre in 1988.

Participatory budgeting is a local practice of public deliberation on budget issues introduced in Porto Alegre in 1989 and which is today practiced in 103 Brazilian cities. It is characterized by four elements: the first one is the delegation of sovereignty by elected mayors to a set of regional and thematic assemblies which operate through universal criteria of participation. Every citizen can participate and vote on budget issues in regional and thematic assemblies. The second characteristic is the combination within the participatory model of different elements of participation which belong to different participatory traditions, such as direct participation and election of councilors at the city level. The third element is the principle of self-regulation. The rules for participation and deliberation are defined by the participants themselves and are adapted or changed every year (Santos and Avritzer, 2002). The fourth element is an attempt of inverting priorities in the distribution of public goods through a combination of participation and technical decisions on whom should have access to public goods. How this formula of public deliberation emerged? Is it specific to the political configuration of the city of Porto Alegre? Can it be extended to other parts of Brazil and democratize the country's political culture?

This article is going to approach the transformations in the Brazilian political landscape that led in the first place to the emergence of participatory budgeting in Porto Alegre. In its first part, we will discuss the emergence of the experience and engage in the debate on its exceptionality. The Southern region of Brazil has always had a more participatory culture than other parts of the country. In the first section of this paper, we will show what are its main elements and will relate them to emergence of participatory budgeting. In this article second part, I will analyze two experiences of PB, Porto Alegre and Belo Horizonte and I will approach its deliberative and distributive elements. I will show the level of deliberative equality involved in the PB. I will also discuss a still existing deliberative gap between those who participate and those who speak. In this paper third part, I will analyze the recent extension of participatory budgeting experience, pointing out the variations they involve and comparing the levels of participation and the changes in democratic culture in each case.

THE EMERGENCE OF PARTICIPATORY BUDGETING: AN EXPLANATION

The state of Rio Grande do Sul where the city of Porto Alegre is located tried hard during the nineteenth century to separate itself from Brazil.¹ Its process of political formation involved several different characteristics than those that prevailed in Brazil as a whole: slavery played a central role in the Brazilian process of nation-building

and, yet, it was not very strong in the South of Brazil, where most cases of slavery were cases of domestic slavery (Conrad, 1993). In addition to that, some of the institutions which were central in the Brazilian nineteenth century such as the *guarda nacional*, which was the transformation of great landowners into colonels of the national guard were not accepted in Rio Grande do Sul. There, civic militias functioned regularly between 1835 and 1845 leading to a less hierarchical culture and the emergence of the idea of social honor (Uricoechea, 1984). Big rural property was another important characteristic of the Brazilian process of nation-building (Furtado, 1963) which has never been important in the Northern part of the state of Rio Grande do Sul in which small property and an urban network of small rural cities contributed to a more egalitarian sociability (Baquero, 1995:20). In addition to that Rio Grande do Sul received more than its fair share of Brazilian immigrants in the late nineteenth and early twentieth century. Thus, throughout the process of nation-building in Brazil during the nineteenth century, Rio Grande do Sul was an exception in term of its main structural characteristics.

The origin of popular movements in Porto Alegre in the post-war period is marked by the formation of Fracab, Federation of Community Associations in Rio Grande do Sul, created in the second half of the 50's (Silva, 2001:79). From its very origin, the community movement in Porto Alegre could be differentiated from those of other Brazilian cities. In the case of São Paulo, the Sab's – Society of Neighborhood Friends, had a predominantly recreation nature (Gohn, 1991). In the case of Belo Horizonte, there has been very little community mobilization and association in the same period. The city whose associative dynamics seems to be similar to Porto Alegre is Rio de Janeiro, which also had a strong associative movement in the post-war period (Boschi, 1987). Thus, we have a first moment of differentiation between Porto Alegre and other Brazilian cities in the organization of community movements which created an associative drive still in the fifties.

When the new associative drive begins in Brazil in the late seventies (Santos, 1993), the pattern of association changes in most Brazilian cities. In the cases of Belo Horizonte and Recife the number of community associations tripled in the eighties (Avritzer, 2000; Silva, 2002). In Rio de Janeiro there was a huge associative drive between 1979 and 1981. In São Paulo there was a huge change in the aims of community associations which became more politicized in this period. In the case of Porto Alegre, since the 60's, there was in the city a tradition of a claiming for community improvement in a more organized way, due to the creation of The Liga Interbairros Reivindicatória e Acessoradora (Intercommunity League), an umbrella association which included among its aims the idea of an "humanist, antipaternalist" form of participation. (Silva, 2001:81). The existing tradition of associations evolved in the eighties in Porto Alegre to a new umbrella association, UAMPA, which claimed for the first time the right to participate in the deliberation on budget issues

at the local level in 1986 (Uampa, 1986; Avritzer, 2002c). Thus, there is in the case of Porto Alegre a tradition of community mobilization that differentiated it from other Brazilian cities, from the fifties through the eighties.

Porto Alegre also had a tradition of more left wing political behavior. This tradition can also be traced back to the post-war period. Between 1947 and 1963, the PTB (Brazilian Labor Party) was the party which received the largest share of the votes in the elections for city Council. The candidate of the PTB for governor won all the elections in the city of Porto Alegre between 1947 and 1964 (Silva, 2001). In the moment in which redemocratization took place in Brazil (1985-1988), there was a dispute between left wing and right wing candidates in most Brazilian capitals with the exception of Porto Alegre. There the dispute was between the PDT, a center left party which seek to retrieve the populist past and the PT, the Workers Party, a party which seek to renew the Brazilian left and proposed popular councils as a form of governing the cities (Keck, 1992; Abers, 1996). In the first round of this dispute, the PDT won the first elections for mayor after redemocratization and tried to introduce participatory policies. At the same time, community associations and the PT claimed that the forms of participation were too limited. It was in this context that UAMPA launched the idea of participation in the budget making process. Thus, it is possible to argue that Porto Alegre was the only city in Brazil in which the political dispute in the aftermath of redemocratization took place among sectors of the left and was centered on the issue of participatory policies at the local level.

It was in this context that Olívio Dutra was elected mayor of Porto Alegre, in 1988, and introduced participatory budgeting as the policy for deliberation on the distribution of public goods by his administration. Participatory budgeting emergence is the result of structural characteristics present only in Rio Grande do Sul at that point, such as the way these structural characteristics generated a strong community movement in Porto Alegre, the arrival of the PT to an administrative position in the city, the new legal infra-structure of participation generated by the 1988 Constitution and the claim for participation which emerged in the first 30 days of Olívio Dutra's administration.

The initial design of participatory budgeting did not follow the will of any of these authors. On the contrary, it was the combination of a proposal for participation made by each one of them. Uampa, the Umbrella organization for community associations in Porto Alegre, centered its proposal of participation in regional assemblies with a strong organizational twist, in which members of neighborhood association would decide on budget issues. The PT proposed the creation of popular councils at the local level, in which members of a city council would be elected. Against UAMPA, and following the logic of local politics, the administration proposed that participation in the PB should be individual instead of by entities.² However, the administration accepted UAMPA's proposal that participation should

take place at the local level in a series of regional assemblies which should follow the logic of popular mobilization in the city. In the second place, the local PT insisted in a constitution of a council which was, at that time, part of the conception of the need of a parallel form of power. (Abers, 1996). It was from this conception that the COP, Council of Participatory Budgeting emerged. Yet, the role played by the COP in the formation of an institutional coordination of the proposals emerging at the local assemblies was completely new. Last but not least, the administration itself perceived that it would have to change its functioning in order to allow for participatory budgeting to work. It completely changed the format of the CRC and at the same time created a new institution, the GAPLAN, Planning Cabinet, which would be in charge of elaborating the budget under the supervision of both the Participatory Budgeting Council and the mayor cabinet. Table 1 below synthesizes each of the main actors which made a proposal for the institutional organization of the PB and the format it acquired in the early nineties.

TABLE 1

	ORIGINAL PROPOSAL FOR PARTICIPATION	FINAL DESIGN
NEIGHBORHOOD ASSOCIATIONS	DIRECT DELIBERATION AT THE LOCAL LEVEL. PARTICIPATION OF MEMBERS OF COMMUNITY ASSOCIATIONS.	REGIONAL ASSEMBLIES WITH INDIVIDUAL PARTICIPATION
LEGAL INFRASTRUCTURE	CONSTITUENT ASSEMBLY INTRODUCES CITIZEN PARTICIPATION AS A PRINCIPLE	PORTO ALEGRE CHARTER ADOPTS PARTICIPATION AS ITS FIRST PRINCIPLE
WORKERS PARTY (PT)	POPULAR COUNCIL AT THE CITY LEVEL	REGIONAL AND THEMATIC ASSEMBLIES ELECT COUNCILORS FOR A COORDINATING BODY.
LOCAL ADMINISTRATION	CONCENTRATION OF CLAIMS ON THE CRC	CRC BECOMES PART OF PARTICIPATORY BUDGETING STRUCTURE

Thus, participatory budgeting is the result of the Brazilian process of democratization as well of its impact in the country's region which developed the most democratic tradition. It took advantage of the new legislation which emerged in the Constitution-making process as well as of the productive overlapping of a tradition of democratic associations in the South with a specific proposal for participation which emerged within emerged in the Workers Party.

Today, 103 cities in Brazil practice some form of participatory budgeting, among them, São Paulo, Belo Horizonte, Recife and Porto Alegre, 4 among Brazil's five largest cities. (Teixeira, 2003). Among all these cases, I will like to single out a second case for comparison with Porto Alegre, the case of Belo Horizonte. Belo Horizonte is Brazil's third largest city with a population of a little more than 2 million inhabitants. Its political formation is very different from Porto Alegre. Belo Horizonte is located in the more conservative state of Minas Gerais and is a city founded in 1897. The associative tradition in the city was very low during most of the 20th century. In the first 80 years of existence, only 70 neighborhood associations were formed in the city. This tradition changed with the associative drive of the democratization. The number of neighborhood associations in the city increased from 70 to 534 between the mid-seventies and the mid-eighties (Avritzer, 2000). Politically, Belo Horizonte has always been more conservative than Porto Alegre. It was home to the so-called "Minas oligarchy" a group of conservative politicians who played an important role in the post-war democratic period (1946-1964) and who generated the leadership of the conservative path of transition to democracy in 1985. Yet, the Workers Party (PT) has also been strong in Belo Horizonte since its formation and eventually won the elections for mayor in 1992 when it also proposed to introduce participatory budgeting in the city. Today, the PB has been practiced in Belo Horizonte for 10 years. In the next session of this paper, I will analyze briefly and describe participatory budgeting in the two cities and I will analyze its distributive and deliberative elements. In this paper concluding remarks I will analyze participatory budgeting in a comparative perspective.

PARTICIPATORY BUDGETING: AN ANALYSIS OF ITS DELIBERATIVE ELEMENTS

Participatory budgeting changed the process of budgeting-making in Brazil. In its most important experience in Porto Alegre (1990-2003) it introduced 4 new types of institutions, three of which show the presence of deliberative elements, namely the regional and thematic assemblies, the Council of Participatory Budgeting, COP, and the form of decision on the rules for decision-making.³ The regional and thematic assemblies are places where participants make their claims, criticize the local authorities in relation to previous administrative actions and also negotiate among themselves on which are their priorities. There are in Porto Alegre 16 regions (see map 1) and five thematic assemblies. The format of the regions was a point of conflict between social movements and the administration. Social movements pressed hard for the maintenance of a collective action logic in the regionalization of the city, arguing that the administrative zoning would collide with the mobilization logic of many community movements (Baierle, 1998). The city of Porto Alegre agreed to redesign the regions adopting an administrative logic which overlapped with the

existing forms of mobilization. Thus, the first element in the deliberative process was an attempt to combine a collective action logic with an administrative logic.

Regional and thematic assemblies are places for discussion and deliberation. An analysis of the socioeconomic characteristics of the participants show a strong presence of poor urban dwellers in the regional assemblies. 30,22% among them make up to two minimum wages, 25,51% make between 2 and 4 minimum wages, showing that the level of participation in the PB is very close to the socio-economic condition of the population. In each of these assemblies, 45 minutes, are open for the manifestation of the participants. The presence in the assemblies does not fully translate itself in equality in other levels, when we make move our analysis from presence in the assemblies to expression in the same assemblies. Table 2 below shows selected data on gender and socio-economic condition of those registered to speak in assemblies in the PB in Porto Alegre.

TABLE 2

Socio-economic condition of the participants and of the speakers in the assemblies in POA

SOCIO-ECONOMIC LEVEL	PARTICIPANTS IN THE ASSEMBLIES	NEVER SPOKE IN THE ASSEMBLIES
UP TO 2 MINIMUM WAGES	30,22%	47,30%
2 TO 4 MINIMUM WAGES	25,51%	37,90%
4 TO 8 MINIMUM WAGES	20,60%	37,20%
8 TO 12 MINIMUM WAGES	---	27,10%

Source: Cidade

Thus, it is possible to note several deliberative characteristics of the regional assemblies of the PB in Porto Alegre: in the first place they are able to express the social diversity of the city, of its different social components, a characteristic that, as we are going to show below, will determine a new social balance in the process of deliberation on the distribution of public goods. In the second place, though there are still some inequalities in relation to gender participation or social participation, it is interesting to point out a certain equilibrium in the gender relation in the number of interventions. Participation of women in the PB meeting is higher than participation of men (51,4% of the participants are women) and higher participation also expresses higher willingness of speak. Yet, we can note that socio-economic conditions pre-determines sharply the ability to speak. Among the participants that make up to two minimum wages and are the majority of the participants, 47,30% among them never spoke in na assembly. The number of people who never spoke decreases in an universe

proportion to their socioeconomic characteristics. In the next session of this paper I will show that the presence and expression capacity of women and the poor has consequences in the profile of the public goods distributed in the regions.

A second deliberative body of the PB is the COP, the Council of Participatory Budgeting. The COP is formed by in the second round of regional assemblies, when the region elects councilors to the PB council. This process leads to the formation of a council composed as follows: two councilors from each of the 16 regions (32), two from each of the five thematic assemblies (10), one from the Uampa – the umbrella organization of neighborhood communities – and one from the public service trade union (2). The PB council thus has 44 members. Administration members do not have voting prerogatives at the PB council though they participate regularly and have a strong influence.⁴ The PB Council can be considered a deliberative body in which two types of negotiations take place: the negotiations between community members on their priorities and the negotiation between community members and the administration on the final format of the budget. Several decisions take place at this level such as: the substitution of previous decisions due to technical reasons. Technical reasons in the PB jargon is a veto imposed by the technical members of the administration on deliberations of the regional assemblies. These most common vetoes involve environmental issues, property issues and financial issues. Environmental vetoes that are common in Porto Alegre involve the extension of the process of channeling local creeks⁵, which is demanded by the population and considered by the city technicians a cause of summer floodings; property issues involve mistakes in the identification of the owners of land which is considered city land and turns out to be owned by state companies or the state or the union; financial issues involve technical considerations on the cost of extending sewage or water pipelines to areas that they have not yet been reached by them. In all these cases, there is a strong debate between the members of the PB Council and the administration with mixed results. One of the important results of these debates is the requirement imposed by the administration that the technicians attend the regional and thematic assemblies and discuss their positions on these issues with the population. Again, it is important to note that the presence of the technicians in popular assemblies increase their deliberative nature.

The third deliberative element of the PB is the process of decision-making on rules for deliberation. Porto Alegre inaugurated an understanding on the process of making rules for deliberation that so far has been followed by other cities in Brazil. According to this process, the city determined the initial rules for deliberation (regimento) and the PB Council acquired the prerogative to change it from the second year on. These rules involve: the composition of the Council of the PB (COP); the attributions of the Cop; rules for the election of delegates at the local level; conditions upon which a mandate could be lost; the rules for argumentation in the COP; rules for the election of a coordination body within the COP and, last but not least,

rules for the COP to change on a yearly basis the rules for deliberation (regimento). Thus, the COP may be understood as a body which sets up its own forms of regulation, from composition to rules for deliberation. It shares some of its prerogatives with other bodies, such as the CRC and the GAPLAN. However, the final deliberative process on budget making takes place at the COP level and implies in a process of making rules for deliberation which is the attribution of the COP itself.

The organization of the PB in Belo Horizonte is different from Porto Alegre. The PB has been in practice in Belo Horizonte since 1993. It involves two rounds of regional assemblies which lead to a regional forum of priorities. In the first round, the administration points out the resources available for public works in the areas of pavement, sewage, and housing. The decision-making process is also different from that used in Porto Alegre. The administration announces the resources available for each region based on a index called IQVU, Index for Urban Quality of Living. 50% of the PB's resources are evenly divided among the regions and 50% are allocated according to this index. Also in the second round, the main proposals for public works in each sub-region (Belo Horizonte has 37 sub-regions, see Map 2) are presented, initiating a process of negotiation among the communities.

The second round of regional assemblies is the most deliberative moment in Belo Horizonte's PB. It involves the election of delegates who will vote on the public works to be included in the city budget. Delegates were elected in 2002 according to the following criteria: from 1 to 200 participants, one delegate for every 10 people attending the assembly; from 201 to 410 participants, one for every 15; above 410, one for every 20. In addition, each region is entitled to one delegate per legally constituted voluntary association within its boundaries (BH, 2002). Once the delegates are elected for the forum on regional priorities, negotiation begins. The main stage in the negotiation process is represented by the "priorities caravans". In this stage, each community which has proposed a public work to be included in the city budget visits other communities in order to evaluate their level of need. At the same time, different communities start to support one another's claims, forming coalitions which will be decisive in the deliberative process.

The final stage in Belo Horizonte's PB, involves a forum of regional priorities. In this forum, there is the formation of tickets with coalitions of proposals from different sub-regions. The ticket are voted with the proposals from each region and unlike Porto Alegre, the decisions of the regional fora are final. The public works approved by the delegates will be integrated into the budget proposal. 20% of the delegates present at the regional fora become members of the *Comforças*, a monitoring body which follows the process of bidding for public works and can negotiate substitutions in case of technical problems.

If we compare the deliberative aspects of the two experiences we can note the following characteristics: first of all, Porto Alegre has more deliberative elements

expressed in the the way the deliberative nature of the assemblies is connected with the Council of Participatory Budgeting. Belo Horizonte has deliberative elements, expressed in the first and second rounds of assemblies. The assemblies in Belo Horizonte are more connected to a voting process than to a process of argumentation and decision-making. The main difference between the two experiences is the lack of council in Belo Horizonte until 1999. In that year, a council with limited prerogatives was created. Yet, it has never been truly connected with the deliberative and decision-making process. In the next session of this paper I will discuss how the differences in deliberation are connected with the differences in the design of the deliberative process.

PARTICIPATORY BUDGETING: AN ANALYSIS OF ITS DEMOCRATIC AND DISTRIBUTUTIVE IMPACT

An issue that has concerned the analysts of participatory budgeting is how to evaluate a deliberative experiment. The levels of participation in the PB are high and increase on a yearly basis. This is true for Porto Alegre the city that inaugurated the practice. This is also true for Belo Horizonte, the largest city which decided to follow Porto Alegre's lead. Finally, this has also been true for São Paulo, Brazil largest city whose PB is in its second year. Table 3 shows levels of participation for the three cities in selected years.

TABLE 3

Participation in the PB over time

	PORTO ALEGRE	BELO HORIZONTE	SÃO PAULO
FIRST YEAR OF PB	976	15.216	30.000
SECOND YEAR OF PB	3.694	25.580	50.000
FIFTH YEAR OF PB	9.638	21.175	
TENTH YEAR OF PB	13.687		

Source: planning secretaries of the cities

The data show important increases in participation in the cities that introduce PB. Some characteristics of participation in the PB should be stressed. First of all, initial participation in Porto Alegre's PB was low; in the first year, it was low in most regions and very low in those without any previous tradition of social organization, such as Restinga, Glória, Ilhas and Humaitá (where only 36, 20, 80, 10 people respectively participated in the second round of regional assemblies) (Avritzer and Wampler 2003). The

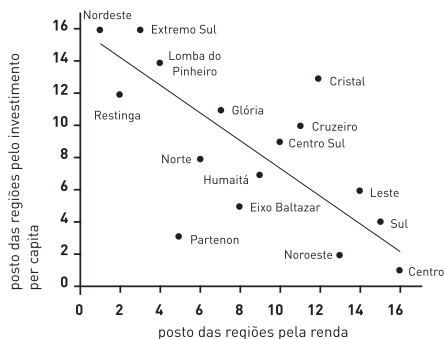
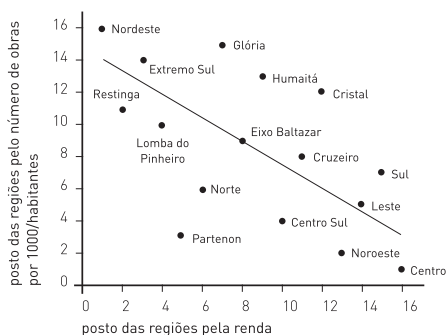
low levels of participation in almost all regions was probably linked to doubts about the capacity of the process to deliver public goods. Beginning in the second year, however, there was a huge change in the pattern of participation. On the one hand, the effectiveness of the first year's deliberations was a strong incentive in those regions which already had a tradition of community organization such as the Leste (east region), where 705 attended the second regional assembly, or Parthenon, where 264 people attended the second regional assembly. On the other hand, participation remained very low in regions without a tradition of participation or community organization. These regions, which are among the poorest, had low levels of political participation for some years. At this stage, the determination of the administration to continue with the participatory process and to implement decisions taken by very few people contributed to increase participation in the following years. Thus, the effectiveness of the deliberative process is essential to increase levels of participation. A second element worth noting is how participation is directly linked to deliberation. The most important aspect of the participatory process in Porto Alegre is the continuous increase in participation in spite of the fact that the fora in which participation has been high have changed. Participation increased from year to year with very few exceptions (1994 and 1996). The continuous increase in participation can be attributed to the confidence that the deliberative process would continue due to the political hegemony of the Workers Party in the city.

Participation in Belo Horizonte shows more variation due to stronger doubts about the continuation of the process. In the first year, participation in Belo Horizonte was already high due to the demonstration effect of the Porto Alegre experience – the population had good reason to assume that it was participating in an effective process. Participation increased still more once the effectiveness of the process at the city level became clear. In its second year of the PB, participation grew more than 50% over the previous year, but then decreased in 1996 with the emergence of doubts regarding the PB's future. In that year's city elections, there were serious doubts that the Workers Party candidate would win and, thus, that the PB's decisions would be implemented. Participation decreased again in 1997 because, despite the fact that the new, non-Workers Party administration promised to continue the PB process, social actors doubted that it would implement the decisions. However, once it became clear that it would respect the deliberations, participation grew again. Thus, one can argue that participation in the PB varies according to two factors: previous traditions of association and the perceived effectiveness of the process. It is still early to evaluate the process in São Paulo, but it is already clear that participation increased sharply in the second year of PB.

Participation in large cities, such as Porto Alegre, São Paulo and Belo Horizonte, reach the level of 1 to 1,5% of the city population. A few data are more meaningful and involve who participates, how participation of the poor evolves; what is the relationship between participation and abiding to new democratic rules and what is the

relation between participation and distribution. Participatory budgeting in Porto Alegre and Belo Horizonte involve the participation of the average citizen in terms of income levels. Most of the participants in the experiment make in between 2 and 5 minimum wages, an amount which is close to the cities average income level (Avritzer, 2000c). The explanation for the high levels of participation of the poor is that the PB resembles practices already existent at the level of civil associations, such as the regional assemblies. Thus, a previous knowledge on how to participate is already available. At the same time, middle class sectors have not been as active as the poor in community associations in Brazil. Thus, participation of the poor in the PB is high for three reasons: because they have a previous tradition of participation in community issues; because they know how to assure their presence in the regional and thematic assemblies and last but not least because the assemblies of the PB resemble a form of participation in which the poor use to have a stronger presence than middle class sectors.

The participation of the poor is a little lower in the deliberative bodies constituted by the PB such as the Council of Participatory Budgeting or the delegates bodies. If we measure the income and education levels for the members of the PB Council in Porto Alegre and São Paulo (Belo Horizonte does not have a council) we can see that they do not resemble the average income and education levels of the population. In the case of Porto Alegre, 28,2% members of the PB Council make between 4 and 8 minimum wages, an amount similar to the one made by São Paulo councilors. However, if we cross the city investment plan with income levels we can note that the majority of the deliberations benefit the poor. Graphics 1 and 2, reproduced from Marquetti 2003, show the relationship between income and deliberations in Porto Alegre. It is possible to point out a strong correlation between investment levels and low income levels. This correlation has strong deliberative consequences. They show that, the presence of the population in the regional and thematic meetings in Porto Alegre imply in deliberations which affect them positively. Yet, in spite of the distributive effects, it is possible to argue that public deliberation has the strongest consequences at the level of political practices.



The analysis of the distributive elements of the PB in Belo Horizonte also shows strong distributive effects. Macedo (2002), using the IQVU (Index for Urban Quality of Living) showed that Belo Horizonte's PB also has strong distributive elements. Macedo differentiated six classes of UP (panning unities) according to their IQVU and connected the investments of Belo Horizonte's PB according to this ranking. He then showed that PB investments are concentrated in the areas whose IQVU's rank lower (see table 4 below). He also showed that the amount of investment as well as the average number of investments vary according to this ranking.

TABLE 4
Distributive effects of Belo Horizonte's PB

UP ACCORDING TO THEIR IQVU	NUMBER OF UP'S	IQVU GAPS	AVERAGE POPULATION OF THE UP'S	AVERAGE INVESTMENT PER UP (BRAZILIAN REALS)	AVERAGE NUMBER OF PUBLIC WORKS IN THE PB PER REGION
CLASS I	6	0570-0645	18.677	93.374,20	0,50
CLASS II	19	0491-0550	24.985	307.255,16	0,84
CLASS III	12	0463-0488	35.027	1.185.151,05	2,08
CLASS IV	18	0423-0456	30.102	1.075.192,75	2,44
CLASS V	15	0384-0415	26.109	1.149.208,66	1,73
CLASS VI	11	0328-0368	13.709	1.221.302,76	1,82

Source: Macedo, 2002

Thus, the two cases that we are analyzing show a strong distributive impact. Yet, what is the deliberative impact of the PB and its impact in the democratic culture?

In a survey applied in PB participants in Porto Alegre and Belo Horizonte in 1999⁶, we tried to find out the cultural impact of the institutions for public deliberation created in both cities. We first asked whether these actors and their communities could get material benefits from previous administrations and whether they could get material benefits from the PB (see table 4 below). Though, it is possible to see that there is an increase in the amount of communities which got material benefits, we can note that this variation is less significant than the one measured

by a second question on changes in political culture. The second question we asked was about the role of political mediators in Brazil. As it is well known (Graham, 1990; Gay, 1984) clientelism plays a strong role in Brazilian cities, and politicians mediate the process of having access of public goods at the urban level. Community associations challenged this practice in Brazil during the process of democratization and brought to the PB this critique. The second issue we wanted to find out in the research in Belo Horizonte and Porto Alegre is whether the deliberative process established a new pattern of interaction between participants and the administration or whether the PB overlapped with other forms of political interaction, in particular with clientelism. Thus, we asked a second question on the influence of political mediators in the process of having access to public goods through the PB. Table 6 below shows the results to these questions. The results show that the PB although the access of the poor to public goods increase that the PB has a largest impact in changing the political culture and establishing a new pattern of interaction at the political level.

TABLE 5

The role of political mediators before and after the PB

	PORTO ALEGRE		BELO HORIZONTE	
DID THE COMMUNITY HAVE ACCESS TO PUBLIC GOODS BEFORE THE PB?	YES 62,7%	NO 37,3%	YES 49,3%	NO 49,3%
HOW DID THE COMMUNITY GET PUBLIC GOODS BEFORE DE PB?	THROUGH SOCIAL MOBILIZATION 54%	THROUGH POLITICAL MEDIATORS 41%	THROUGH SOCIAL MOBILIZATION 34%	THROUGH POLITICAL MEDIATORS 60%
DID THE COMMUNITY GET PUBLIC GOODS THROUGH THE PB?	YES 89,6%	NO 11,4%	YES 60,3%	NO 39,7%
WAS IT NECESSARY SOME KIND OF INTERVENTION OUTSIDE THE DELIBERATIONS OF THE PB?	YES 28%	NO 72%	YES 32,9%	NO 67,1%
WAS THE INTERVENTION OF POLITICIANS NECESSARY?	YES 0%	NO 100%	YES 7,3%	NO 92,7%

Thus, it is possible to point out four elements of the deliberative process in Porto Alegre and Belo Horizonte:

1. first of all, the presence of a previous tradition of association influences the deliberation in the moment of the emergence of a participatory process. The data for Porto Alegre show that the emergence of the PB is related to the kind of community associationism which existed in the city. It is true that an associative tradition alone could not generate the PB. Yet, the initiative of the proposal and the fact that it drew on pre-existing practices which emerged at the level of community associations was important for its success. Regional and thematic assemblies are a new important way of claiming for public goods without the interference of political mediators. They establish argumentation and negotiation as a new pattern for the actions of the community and the relationship between the community and public administration.

2. the deliberative process has strong rational characteristics that can be showed by the data on participation in Porto Alegre and Belo Horizonte. The rationality of participation and deliberation in Porto Alegre is what explains the change in the most important institutions in which the population participated. The change in the deliberative process also changed participation. The data on Belo Horizonte are even more convincing. The variations in the level of participation can be attributed to variations in the effectiveness of the process.

3. There is a correlation between participation in the deliberative process and distribution. This correlation has two different dimensions. The first one is the strong presence of the average poor citizen in the PB regional and thematic assemblies. This is true in all cases of PB in large Brazilian cities, though, as I have pointed out above, in the higher decision-making bodies the presence of the poor is lower. Yet, there is a strong correlation between participation and results, a correlation showed by the distributive impact of the deliberations. As, we have showed above the average poor citizen is the final beneficiary of the public works.

4. The deliberative process has a democratizing effect on the political culture. The last important issue is the impact of PB institutions in the creation of a more democratic culture. Table 4 shows that the largest change produced by the PB is not the new access to public goods. This access somehow existed in cities such as Porto Alegre and Belo Horizonte before the PB was introduced. The most significative change is how the access is negotiated among social actors and politicians. We showed that the institutions created by the PB establish a pattern of negotiation which renews the political culture by putting aside political mediators specialized in exchanging favor for material benefits, one of the central dimension of clientelism in Brazil (Leal, 1946).

Thus, it is possible to argue that the new associative culture that emerged in Brazil in the late seventies at the community level, connected itself with a sector of Brazilian political society to create more democratic and deliberative forms of decision making. These forms, which are very important in large cities, such as Porto Alegre, Belo Horizonte and São Paulo have an important impact on the pattern of distribution of public goods as well as in the democratization of political culture. The question that

has to be posed is: can this new pattern be extended to the rest of the country, regardless of scale, regional political culture and city size?

THE EXTENSION OF THE PB IN BRAZIL

Participatory budgeting has been extended to 103 cities in Brazil in the year 2000. Contrary to common knowledge, the characteristics of the cities which adopted the practice are different from the ones that made it known. Most of the cities that practice participatory budgeting in Brazil today are small or midsize cities, many among them have a very small associative tradition, most of them are concentrated in the South and Southeast regions of the country and though most of the experiences of PB are linked to PT's administrations, there are plenty of experiences that are linked to other political parties. Table 5 below summarizes the most important characteristics of the PB experiences.

TABLE 5

Characteristics participatory experiences

	BY SIZE OF THE CITY	BY REGION	BY PARTY
NUMBER OF PB EXPERIENCES	UP TO 20.000 PEOPLE 31 CASES	SOUTH 39 CASES	PT 52 CASES
	BETWEEN 20 AND 100.000 PEOPLE 33 CASES	SOUTHEAST 45 CASES	PSDB 13 CASES
	BETWEEN 100 AND 500.000 PEOPLE 30 CASES	NORTHEAST 14 CASES	PMDB 9 CASES
	MORE THAN 1 MILLION PEOPLE 4 CASES	OTHER CASES	OTHER CASES
TOTAL	103	103	103

Source: Teixeira, 2003. Grazie, 2002.

It is easy to note which are the predominant characteristics of PB experiences: these are the ones concentrated in small or very small cities (64 experiences) of the regions South or Southeast of Brazil (74 experiences) most of them run by the PT (52 experiences). These cities have four characteristics which do not fully coincide

with those of the cities which introduced the PB as a practice: first of all, they have very little associative life. Associations are very weak and do not influence the PB. Second, the state administration tend to have more influence in the deliberative process, from calling the meeting to a direct influence in deliberative process. Icapuí in the Northeast region appears as one of these cases. It is a midsize and very poor city of the Northeast with a relatively successful experience of participatory budgeting in which 69,3% of the councilors of the PB are members of the local administration. Third, most of the small and mid-size cities in which participatory budgeting is being practiced simplify a little bit the process. This is the case in small rural cities in South region of Brazil such as Medianeira and Iguacu for which case studies are available. In these cities there is only one round of regional assemblies, most of the time there are not thematic assemblies and there is a simplification in the process of electing the PB Council (Teixeira, 2002). Fourth, there are also cases in which the cities in which the PB is implemented do not have access to enough resources to trigger a significative deliberative process. This is the case of the cities in the metropolitan region of Porto Alegre such as Alvorada and Viamão which have introduced the PB but have strong difficulties in transforming it into a distributive process due to lack of resources (Silva, 2002). Thus, we can see that although participatory budgeting is being extended to many cities in Brazil not all the experiences resemble the same deliberative and distributive characteristics of Porto Alegre.

We may differentiate at least two different kinds of experiences: the first kind is the one that emerged in Porto Alegre, was extended to Belo Horizonte still in the early nineties and is being practiced in cities such as São Paulo and Recife today.⁷ These experiences share a lot of common aspects such as: all these cities had a relatively strong associative tradition with a very strong presence of community associations in the urban landscape. In all these cities, participatory budgeting involves a process of negotiation between the political administration which belongs to the PT (or to a left leaning party such as the PSB - Brazilian Socialist party) and community associations. In all these cases, participation is about 1% of the population (being a little bit less than that in São Paulo for scale reasons) and it roughly resembles the average income level of the population. Participatory budgeting in this first type of case shows the possibility of building an institutional form of participatory democracy based on the associative tradition created by community movements and their productive interaction with PT administrations. The results is the constitution of a more democratic political culture with strong distributive effects at the social level.

There is also a second case which involves small and mid-sizes cities in South and Southeast regions of Brazil. In most of these cases, the characteristics of the PB are a little bit different: all these cities have a weak or very weak associative tradition. In most of the cases, the PT governs these cities as a result of a demonstration process, as it has been the case in most small and mid-size cities in Rio Grande do

Sul. Participatory budgeting in these cases, is broadly simplified due to the easier conditions provided by the size of the cities. Most of these cities have a council which in general is constituted by the leadership linked to the administration or the PT itself, as is the case in Icapuí, Ceará. Yet, in most of these cases, participation is higher than in larger cities. It may reach levels between 10 and 20% of the population which may be explained by the city scale (Avritzer, 2002). Participatory budgeting in these cases, function well when two conditions are met: first, when the city is not very poor and may be able to establish a distributive process. Second, participatory budgeting is, in these cases, dependent upon the unity of the governing coalition (Silva, 2002), because, the associative movement in the city is weak and makes the process more dependent upon the characteristics of the administration itself. In these cases, we may see improvement at the efficiency level, but we seldom see democratization of the political culture.

Thus, it is possible to see that the practices that emerged at the societal level during Brazil's process of democratization can become an alternative source of democratic values at the public level in the case of cities such as Porto Alegre, Belo Horizonte and São Paulo. Once democratic values become available within the public culture, it is possible to bring them to the decision-making level through innovative institutional designs. Deliberative designs transfer innovation and the more egalitarian aspects of the public culture from the societal to the public level. Yet, the limit of the extension of these practices, is the characteristics of public culture itself. We have showed in this paper that in the cases in which innovation at the societal level led to new practices that are distributive and democratic impacts. We have also showed a second case in which the already existing innovation is extended through the political system to other setting in which the main characteristics of the societal culture remain the same. In this second case, success is determined by the administrative characteristics of the proposal and there is not a sharp change in societal culture. Though the two cases are different they show that the deliberative nature of the PB is able to create a new administrative standard which puts at stake Brazil's century old administrative practices and the social and deliberative inequalities associated with them.

NOTES

1 These attempts were materialized in a series of civil wars, the Cisplatine Campaign (1817-28), The Farrupilha Revolution (1835-45), the Platine Campaign (1849-52). See (Love, 1971:13).

2 This has led to a big conflict in the early nineties in Porto Alegre. Uampa initially decided not to participate in the first editions of participatory budgeting. See Baierle, 1998.

3 There are many usefull descriptions of the functioning of participatory budgeting and I will not make another one in this paper. For a full description of the process see, Bairle, 1998; Santos, 1998; Abers, 2000; Avritzer, 2002; Baiocc, 2002.

4 To my knowledge there is only one city in the administration members vote in the PB Council which is Santo Andre.

5 Pavement has been the public good mostly demanded in Porto Alegre since the emergenc eof the PB. As of today 6 million square meters of pavement have been done. As a consequence of the levels of pavement that soil of the city became impermeable and summer floodings increased. This has led to a technical veto on new channelling of creeks.

6 The survey was applied in a sample of associated members who participate in the the PB in Porto Alegre and Belo Horizonte. 5% of the members of existing associations who participate in the PB were interviewed in each city . 122 interviews were carried in Porto Alegre and 80 interviews were carried in Belo Horizonte.

7 The size of the city involved is not the only characteristic of this group of cities. We could add to this group, cities such as Chapecó in Santa Catarina, Uberlândia and Ipatinga in Minas Gerais, Campinas in São Paulo and Caxias do Sul in the state of Rio Grande do Sul. For the characteristics of this intermediate case see Avritzer, 2003.

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